

**TOWN OF DAVIE  
SPECIAL MEETING  
SEPTEMBER 7, 2005**

The meeting was called to order at 6:33 p.m.

Present at the meeting were Mayor Truex, Vice-Mayor Hubert, and Councilmembers Crowley, Paul and Starkey. Also present were Town Administrator Kovanes, Assistant Town Attorney Parke and Assistant Town Clerk McDaniel recording the meeting.

**PUBLIC HEARING - BUDGET**

*Resolution*

1. A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, ESTABLISHING THE  
R-2005-234 TENTATIVE MILLAGE RATE TO BE LEVIED FOR VOTER APPROVED DEBT  
SERVICE FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2005, AND ENDING  
SEPTEMBER 30, 2006.

Assistant Town Clerk McDaniel read the resolution by title.

Budget and Finance Director, Bill Underwood explained that the Town's debt service dropped 13.6% (.0709 mills). He advised that next year's millage would be 0.4502 due to improvements in new construction and assessed value in the Town.

Councilmember Crowley made a motion, seconded by Councilmember Starkey, to approve. In a roll call vote, the vote was as follows: Mayor Truex - yes; Vice-Mayor Hubert - yes; Councilmember Crowley - yes; Councilmember Paul - yes; Councilmember Starkey - yes. (Motion carried 5-0).

*Ordinances - First Reading (Second and Final Reading to be held September 21, 2005)*

2. AN ORDINANCE OF THE TOWN OF DAVIE, FLORIDA, ESTABLISHING THE MILLAGE  
RATE TO BE LEVIED FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2005, AND  
ENDING SEPTEMBER 30, 2006.

Assistant Town Clerk McDaniel read the ordinance by title.

Mayor Truex announced there would be a second and final reading on this item on September 21, 2005.

Mayor Truex advised that the Town's tentative operating millage rate for 2006 was 5.1086, which was a 12.3% increase over the rolled back rate of 4.5601. The tentative voter debt service millage for fiscal year 2006 was 0.4502.

Mayor Truex opened the public hearing portion of the meeting.

Dr. Bob Preziosi, Chair of the Budget Advisory Committee, voiced the Committee's concerns about where the budget was heading, the high debt, and the lack of reserves. He questioned what the Town would have done financially with a direct hit from Hurricane Katrina. Dr. Preziosi voiced the Committee's concerns about the loss of public safety positions, the fire pension and the open space bond. He advised that the Committee wanted the Town to look beyond 2005-2006.

Mayor Truex asked if the Committee felt the millage rate was too high. Dr. Preziosi felt that with revenue growth at 17%, it was difficult to justify the millage rate. However, looking back at the last 10 years, he felt the Town had no choice.

Mayor Truex closed the public hearing.

Councilmember Crowley recalled his previous request for each taxing authority to roll back slightly to accommodate the residents' needs. He wanted to look at rolling back to 5.1000 and not impacting public service.

Councilmember Starkey recalled her request for additional information on what a rollback would generate for the Town. Mr. Kovanes advised that a 5.1000 millage rate would generate approximately \$49,633, with the dollars coming from Human Resources, Parks and Recreation and Administration. Mr. Underwood advised this would cut approximately 75¢ per resident.

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Councilmember Starkey asked which Parks and Recreation program would be cut. Mr. Kovanes advised that the cultural arts would be impacted. Parks and Recreation Director Dennis Andresky advised that the Town had projected \$28,000 (with \$14,000 to be reimbursed in a grant) for ballet and Young at Art programs serving 40 children on the east side. Councilmember Starkey asked whether there was another opportunity to receive grant funding for the program. Mr. Andresky advised that the program would have to be fully funded and then reimbursed.

Councilmember Starkey asked about the intern positions. Mr. Kovanes advised that interns assist with daily activity within the department. Councilmember Starkey felt if it meant 75¢ to provide cultural programs for residents on the east side, no resident would ask for a roll back that cut such programs. She felt that while it was admirable to want to roll back to an even number, the reduction was not worth it. Councilmember Starkey added that the Town needed to do a better job of trimming in other areas.

Councilmember Paul was happy with not taking money from reserves to balance the budget and agreed with the need to build reserve funds. She felt if the Town was going to offer tax relief to residents, it needed to be substantial - at least \$1 million. Councilmember Paul agreed with Councilmember Starkey that special project cuts would cover Council's special requests.

Vice-Mayor Hubert felt that while taxes had not been raised, the Town could not afford to lower the millage. She thanked Councilmembers Paul and Starkey for their support.

Mayor Truex felt the logic used in the presentation was "something masquerading as logic" and felt it was a shameful proposal to cut programs that benefited children. He would vote against this and wanted to be more aggressive on the amount of cuts. Mayor Truex felt the Budget Advisory Committee had an excellent point about the Town's need to look to the future. He disagreed with Councilmember Paul on union contracts and did not want to blame Administration as Council voted 4-1 on this issue.

Councilmember Crowley felt staff had not put a lot of effort into the process. He indicated that the Town did not have to cut anything but should look at additional revenue sources for the \$49,000. He also disagreed with cutting children's programs.

Councilmember Starkey recalled that Council used to get reams of budget items, but had not received this for a while. She felt Council might need to review these issues in a workshop with the Budget Advisory Committee. Councilmember Starkey stated that this year's budget process was quite lean without cutting services and commended staff on their effort. She wanted Council to look for cuts in the future and added that the Council had not raised the millage rate since 1994 even with increased staff and services.

Councilmember Starkey made a motion, seconded by Vice-Mayor Hubert, to approve.

Regarding the cultural arts program, Councilmember Paul asked if the Town could find the \$28,000 elsewhere. Mr. Kovanes advised that staff could look for these funds, indicating that the internship program might be a likely possibility. She added that it was essential to build reserves.

Councilmember Paul asked if there was some way to cut materials so it would not impact personnel. Mr. Kovanes responded affirmatively and indicated that staff could look at raising potential revenues. He felt confident the money would be found.

Councilmember Paul indicated that she might approve budget cuts if she could be guaranteed that they would not impact children.

Councilmember Starkey withdrew the motion. Vice-Mayor Hubert withdrew her second.

Vice-Mayor Hubert asked whether items in the capital budget 4-5 years out could be moved around and done in the future. Councilmember Paul pointed out that the capital budget was a separate budget from the general fund.

Councilmember Crowley made a motion, seconded by Mayor Truex, to approve based on 5.1000 with cuts coming from other places that would not impact any Parks and Recreation programs for children. In a roll call vote, the vote was as follows: Mayor Truex - yes; Vice-Mayor Hubert - yes;

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Councilmember Crowley - yes; Councilmember Paul - yes; Councilmember Starkey - yes. (Motion carried 5-0)

3. AN ORDINANCE OF THE TOWN OF DAVIE, FLORIDA, ADOPTING THE BUDGET FOR THE TOWN OF DAVIE FOR THE FISCAL YEAR 2006.

Assistant Town Clerk McDaniel read the ordinance by title.

Mayor Truex announced there would be a second and final reading on this item on September 21, 2005.

Mr. Kovanes advised that the gas franchise would generate approximately \$400,000 and would take about a year to set up within the Town and the State. He indicated that the public service tax on water would generate \$1.1 million. Mr. Kovanes advised that the strongest recommendation was for half to go to reserves and the other half to the rising energy costs such as fuel and electricity.

Mayor Truex asked if any of these funds would be recouped in the 2005-2006 budget. Mr. Underwood advised that the gas franchise would not impact the 2005-2006 budget due to the length of time needed for contract negotiations. Regarding the utility tax, he advised that with a 90-120 day implementation, maybe 75% (\$817,000) would be reflected in the next budget.

Mayor Truex suggested that Council approve the ordinance then fix it to include the \$49,000 before the second reading.

Mr. Underwood requested that Council instruct staff to implement or not implement this millage, incorporate the amount into estimated revenue, appropriate the amount into the budget amount, then return at second reading. Mr. Parke advised that any amendments would need to be made and incorporated before the next reading.

Vice-Mayor Hubert made a motion, seconded by Mayor Truex, to approve with the changes bringing the millage back to the 5.1000 before the next reading without impacts to the children's programs.

Mayor Truex recommended placing the water franchise item under Old Business on a future Council meeting agenda. Councilmembers Starkey and Paul indicated they wished to see more information. Councilmember Paul wanted to move forward with the gas franchise.

Mr. Parke advised that another public hearing would be held where the appropriate amendments could be made.

Mayor Truex opened the public hearing. As no one spoke, Mayor Truex closed the public hearing.

In a roll call vote, the vote was as follows: Mayor Truex - yes; Vice-Mayor Hubert - yes; Councilmember Crowley - yes; Councilmember Paul - no; Councilmember Starkey - yes. (Motion carried 4-1)

As there was no further business to discuss and no objections, the meeting was adjourned at 7:20 p.m.

Approved \_\_\_\_\_

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Mayor/Councilmember

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Town Clerk